

Customs Modernization

March 2002 Status Update Oversight Organizations

Modernization at-a-Glance

Timeline

February: ACS turned 18 years old

February 27: Congressional hearing on Customs FY03 budget

March 10-13: National Customs Brokers & Forwarders Association of America, Inc. annual conference, Hollywood, FL.

March 22: Customs Operations Advisory Committee (COAC)

June 4-6: Trade Support Network Meeting, Fairfax, VA.

Funding:

In November the President signed the bill appropriating \$300 million in Fiscal Year 2002 funding for Customs modernization. The President sent his Fiscal Year 2003 budget request to Congress February 4 requesting \$312 million for modernization. This funding is earmarked for ACE development, program management, and other program costs.

Modernization on a Roll

Customs Modernization has gained great momentum since the systems integration contractor began work on the Automated Commercial Environment (ACE) in August 2001. ACE is a large-scale, complex project that will be the foundation of Customs-wide modernization, and critical work has already been accomplished to help ensure success. The ACE project has an effective management structure based upon key partnerships between Customs and oversight organizations. Project managers have developed extensive plans and rigorous processes to ensure that cost, performance, and schedule targets are met. ACE project managers have also collaborated with operations and field personnel, other government agencies, and the trade community to develop requirements and plans.

This month Customs will start building the foundational elements of ACE. Working with its support contractors, Customs will build the infrastructure, Internet-based web portal and account management

functionality that will be fielded in October 2002. This initial deployment of ACE will provide Customs officials and an initial group of trade partners an enhanced view of data by accounts rather than by individual transactions and entries. As the project progresses, capabilities will be improved and expanded to all modes of transportation and trade partners, creating national accounts for brokers, carriers, sureties, exporters, and government agencies. The infrastructure built for ACE will also serve as the foundation for modernization projects in Customs enforcement and administration areas.

The benefits of ACE have become even clearer in light of the recent terrorist attacks. ACE will provide the tools, information, and foresight needed to both expedite trade, and through quicker more effective targeting, prevent cargo from becoming an instrument of terrorism.

"ACE is an important project for our country, Customs, the business community, and for the future of global trade. It should reform the way Customs does business with the trade. It should even assist Customs in the advance collection of information for targeting of high-risk cargo to better address the terrorist threat."

*Robert C. Bonner,
Commissioner
U.S. Customs Service*

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Customs Modernization:
New World, New Tools